



A General Guide to Creating an Unclaimed Property Program/Policy

WHY create an Unclaimed Property Program?

- **To** maintain good customer relationships by reuniting abandoned property with owners.
- **To** help ensure compliance – it's the law!
- **To** improve internal controls.
- **To** establish uniform procedures and formats.
- **To** foster an awareness of the requirements for reporting unclaimed property companywide.

HOW to create an Unclaimed Property Program:

Adopt formal procedures

- Include all necessary departments.
- Bring key players together include a high level officer, finance personnel, accounting, payroll, etc.
- Establish who is responsible for unclaimed property compliance within the organization (This should be a committee consisting of at least three people).
- Define roles of employees and establish responsibility and accountability.

Checks and Balances

- Communicate with all agents holding assets the policy and make certain checks and balances are in order.
 - These are necessary in order to protect both the property and the company.
 - Abandoned property is often at risk of becoming embezzled or the victim of fraud because the owners are not present.
 - Adequate measures need to be taken regardless of the property amounts.
 - Often times when shortcuts are taken, companies put themselves at risk.
- Review the company history of reporting and current risk exposure.
 - Is a special audit needed to get your business to compliance?

The Process

- Conduct internal training programs – communicate expectations.
- Determine what type of software will be used to collect data, perform due diligence, and report and decide whether or not an outsource is needed.
- Develop timelines.
 - Pre abandonment notices can be sent out and communication can be reestablished BEFORE the property becomes abandoned.
 - Transfer properties to unclaimed property liability accounts.
 - Send out due diligence letters between July 1 and September 1 of the reporting year.
 - File unclaimed property report by November 1.
 - Retain records of reports for at least four years from filing date.

TOOLS to use:

- www.treasurer.state.ia.us
- Chapter 556 of the Iowa Code
- www.unclaimed.org
- www.missingmoney.com